Accounting Instructions for FY2011-12 Education Jobs Supplemental Grant in the General Fund (01)

In FY2011-12, school district general fund budgets are supported by an Education Jobs Fund Supplemental Grant which was awarded to the State of Montana on September 16, 2011. Governor Schweitzer directed the Office of Public Instruction to distribute the money to school districts in support of K-12 BASE aid funding for FY2011-12. This federal funding source supports the FY2011-12 Direct State Aid (DSA) entitlement in the school district General Fund (01).

The **Education Jobs Supplemental Grant** monies support .117% of a school district's total DSA payment. The revenue source code for these funds is **7810 (CFDA No. 84.410)**.

Typically, school districts do not track general fund expenditures relative to the funding sources of the fund. However, the expenditure of federal Education Jobs Supplemental Grant monies must be tracked using a special expenditure program code. Please use expenditure program code **781** for **Education Jobs Supplmental Grant** expenditures.

OPI will distribute the funds on a reimbursement basis. A school district must determine two things: 1) what general fund expenditures are supported by the federal money, and 2) the timing of those expenditures. For example, a school district may determine that the Education Jobs funds supported instructional salaries and benefits paid in January 2012. The school district's accounting records should reflect the following expenditure coding:

Education Jobs expenditures: X01 - **781** - 1XXX - 1XX   (instructional salaries)

X01 - **781** - 1XXX - 2XX   (benefits)

To receive reimbursement, a school district must submit a timely report of the expenditures on the ARRA Quarterly report in the MAEFAIRS system. In the month following the quarterly report, the DSA payment that a school district receives from OPI includes the reimbursement requested on the ARRA Quarterly report. The DSA payment would be coded to reflect the portion of the payment that is related to the expenditures reported on the quarterly report with the remainder of the DSA payment coded to revenue source 3110 State (regular) DSA. In the above example, a school district would report the Education Jobs Fund expenditures on the 3rd quarter ARRA report which covers the period January 1, 2012 through March 31, 2012. This report is due no later than March 31, 2012. When the **April 2012** DSA payment is received, the school district would use **revenue source 7810 for the Education Jobs Fund reimbursement request** submitted on the ARRA quarterly report and use revenue source code 3110 for the remaining amount of the April 2012 DSA payment.

OPI recommends the following with regard to these funds:
  1. Make sure the school district accounting records reflect separate tracking of these funds.   Use revenue source code 7810 and expenditure program code 781 for Education Jobs Fund. On the accounting records, record the expenditures in the same quarter period in which you request reimbursement. For example, if you report and request reimbursement on the ARRA 3rd Quarter report, ensure that your accounting records reflect the expenditures during the period January 1, 2012 - March 31, 2012. Likewise, record the revenue in the month following the end of the quarter in which you requested reimbursement. Maintain adequate backup documentation for all transactions.

2. Maintain adequate backup documentation for all transactions related to these funds. Keep a separate file and include a copy of the ARRA Quarterly Report that you submitted in the MAEFAIRS system.

3. Request reimbursement of these Federal funding sources as soon as possible. OPI recommends that you record the Education Jobs fund expenditures on your January, February or March 2012 accounting records (or all of the expenditures in one of those months), and report and submit the reimbursement request on the ARRA 3rd Quarter report in MAEFAIRS by March 31, 2012.

4. OPI will reimburse 3rd quarter ARRA Education Jobs Funds with the April 2012 DSA payment. On your April 2012 DSA payment, you would code the **Education Jobs Fund** reimbursement to revenue source code **7810** and the remainder of the DSA payment to revenue source code 3110.

5. Communicate with your county treasurer. Let them know that you have submitted an ARRA Quarterly Report, or better yet, send them a copy of it. This will give the county treasurer notice that the DSA payment in the month following the ARRA Quarterly report will require some special coding.

ALLOWABLE EXPENDITURES

Education Jobs Supplemental Grant funds must be used only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, secondary educational and related services. The phrase "compensation and benefits and other expenses, such as support services" includes salaries, performance bonuses, health insurance, etc. An LEA may use the funds to pay the salaries of teachers and other employees who provide school-level educational and related services. In addition to teachers, employees supported with the Education Jobs Fund program may include, principals, assistant principals, academic coaches, in-service teacher trainers, classroom aides, counselors, librarians, secretaries, social workers, psychologists, interpreters, physical therapists, speech therapists, occupational therapists, information technology personnel, nurses, athletic coaches, security officers, custodians, maintenance workers, bus drivers, and cafeteria workers. ***Administrative expenses related to the operation of the superintendent's office, including the salaries and benefits of LEA-level administrative employees are prohibited. Expenditures for fiscal services, LEA program palnners and researchers, and human resource services are also prohibited.*** For more information, please see guidance issued by the U.S. Department of Education at this link: **http://www2.ed.gov/programs/educationjobsfund/index.html** (click on Applicant Info, then Initial Guidance for States on the Education Jobs Fund Program).